

To: York Region Rapid Transit Corporation Board of Directors
From: Mary-Frances Turner, President
Subject: 2010 Capital and Operating Business Plans and Budgets

Recommendations

It is recommended that:

1. The York Region Rapid Transit Corporation (YRRTC) Board of Directors consider and approve the draft 2010 Capital and Operating Business Plans and Budgets as amended in Table 1.
2. The Board of Directors' recommendations be forwarded to the Commissioner of Finance for consolidation into a report to the Regional Finance and Administration Committee meeting on December 3, 2009.

Purpose

The purpose of this report is to:

- Provide a summary of the 2010 Capital and Operating Business Plans and Budgets for York Region Rapid Transit Corporation for consideration and recommendation to Finance and Administration Committee and adoption by Regional Council on December 16, 2009.

Background

The consolidated 2010 Capital and Operating Business Plan and Budget was tabled with Regional Council on October 22, 2009

- It was received and referred to Standing Committees and to the YRRTC Board of Directors for their consideration and recommendation.

A comprehensive report to Finance and Administration Committee will be provided on December 3, 2009. Regional Council approval is scheduled for December 16, 2009

- The Board of Directors' recommendations on the Capital and Operating Business Plans and Budgets will form part of a comprehensive report to Finance and Administration Committee meeting of December 3, 2009. The Finance and Administration Committee's recommendations will then be submitted to Regional Council with final budget approval scheduled for December 16, 2009.

Analysis

Capital Budget

The capital budget includes projects that are either partially funded by senior levels of government or ones funded only by York Region

- The Total Project Budget Authority concept was implemented this year to add greater clarity regarding multi-year commitments for capital budgets. Spending authority is requested for the following:
- Table 1 below lists all budget amounts for which Total Project Budget Authority is being requested for 2010. This table includes the associated 10-year budget requirements and page references to the Capital Business Plan & Budget document.

Table 1
2010 Total Project Budget Authority

Department	Page No.	2010 Budget (\$000s)	2011-2019 Budget (\$000s)
York Region Rapid Transit Corporation (Rapid Transit)	64-66	16,281	1,134,015
Adjustment		(287)	(3,661)
Revised York Region Rapid Transit Corporation (Rapid Transit)	Attachment 1	15,994	1,130,354

After the Budget was tabled to Regional Council on October 22, 2009, it was noted that some of the Total Project Budget Authority included project elements that were fully funded through MoveOntario 2020 Quickwins. These project

elements have since been removed from the Total Project Budget Authority and have resulted in a revised capital budget request, as identified in Table 1.

Attachment 2 provides details related to the funding of all projects identified in Attachment 1.

Projects fully funded through Metrolinx and the Province of Ontario are not included in the Total Project Budget Authority

- Projects funded through the \$1.4 billion Provincial Announcement, the \$105.6 million MoveOntario 2020 QuickWins announcement and the Province's 100% share of the \$255 million Flow/Provincial/York Region announcement are not included in the Total Project Budget Authority
- These projects will be implemented and administered through the joint Metrolinx/YRRTC Board advisory group and are summarized in Table 2.

Table 2
Fully Funded Projects by Senior Levels of Government
Not Included in the Total Project Budget Authority

Project	Total Cost	Funded by
Preliminary Engineering for Bus Rapid ways and Canopies, Cornell Terminal	\$42.4 million	MoveOntario 2020 - \$105.6 QuickWins
Bus Rapid Transit Vehicles	\$13.6 million	MoveOntario 2020 - \$105.6 QuickWins
Land requirements for segments listed below as well as for the OMSF facility and Cornell Terminal	\$177.9 million	MoveOntario 2020 - \$1.4 billion; MoveOntario 2020 - \$105.6
Construction of Bus Rapidways and Canopies along Highway 7 from Pine Valley Drive to Kennedy Road; along Yonge Street from Richmond Hill Centre to 19 th Avenue and from Mulock Avenue to Davis Drive; and along Davis Drive in Newmarket. Additional stops to Cornell	\$1,252.6 million	MoveOntario 2020 - \$1.4 billion; FLOW \$85 million Provincial dollars for Centre Street; MoveOntario 2020 - \$105.6 QuickWins for Enterprise drive
Total	\$1,486.5 million	

- It should be noted that the projects and costs in Table 2 assume that all costs are eligible for recovery. Should some costs be deemed ineligible, staff will report back to the YRRTC Board and Regional Council for approval.

Operating Budget

The 2010 Operating Business Plan and Budget includes the administrative and debt financing costs associated with delivering the Rapid Transit program

- The operating budget for YRRTC is found in the 2010 Operating Business Plan and Budget document as outlined in Table 3 below.

Table 3			
2010 Operating Budget			
Department	Page No.	2010 Gross Operating Expenditures (incl. Contribution to Capital) (000s)	2010 Net Operating Expenditures (incl. Contribution to Capital) (000s)
York Region Rapid Transit Corporation (Rapid Transit)	330	\$15,915	\$9,016

Financial Implications

- 2010 Total Project Budget Authority for York Region Rapid Transit Corporation in Table 1 requires a commitment of \$1.15 billion
- Future expenditures not included in the \$1.15 billion total project budget authority but that are contained within the ten year capital plan are provided for planning purposes and will be formally approved in subsequent years, with the exception of projects fully funded by senior levels of government.
- The above noted Operating Budget in Table 3 totals \$9,016,000 or 1.2% of the Region's total 2010 proposed net operating budget.

Conclusion

- This report sets out the proposed 2010 Capital and Operating budget for York Region Rapid Transit Corporation, as summarized in Tables 1 and 3 above. To facilitate the completion of the budget process, it is recommended that the Board's recommendations be forwarded to the December 3, 2009 Finance and

Administration Committee for consolidation and recommendation to Regional Council
on December 16, 2009.

For more information on this report, please contact Susan Tuckey, Chief Finance and
Strategy Officer and Treasurer, York Region Rapid Transit Corporation at 905-886-6767,
Ext. 1015.

Mary-Frances Turner
President

Date signed

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York Region Rapid Transit Corporation

Attachment 1

2010 Capital Budget - Total Project Budget Authority (\$000s)

		Prior Year Approvals	2010	2011	2012	2013	2014	2015	2016	2010 to 2016	Total
99992	Facilities and Terminals	\$13,632	\$0	\$58,559	\$54,010	\$0	\$0	\$0	\$0	\$112,569	\$126,201
99993	BRT Vehicles	\$1,169	\$11,509	\$5,756	\$4,380	\$15,663	\$1,531	\$0	\$0	\$38,840	\$40,009
99994	Future Bus Rapidways and Stations	\$0	\$740	\$0	\$0	\$0	\$0	\$0	\$0	\$740	\$740
99995	Light Rail Transit	\$595	\$141	\$0	\$0	\$0	\$0	\$0	\$0	\$141	\$736
99996	Spadina Subway Extension	\$90,248	\$3,484	\$110,575	\$187,996	\$246,112	\$249,591	\$153,557	\$42,624	\$993,938	\$1,084,187
99997	Yonge Subway Extension	\$7,422	\$120	\$0	\$0	\$0	\$0	\$0	\$0	\$120	\$7,542
99999	Capacity Upgrade Projects	\$7,292	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,292
Total		\$120,358	\$15,994	\$174,891	\$246,386	\$261,775	\$251,122	\$153,557	\$42,624	\$1,146,348	\$1,266,706

York Region Rapid Transit Corporation

Attachment 2

2010 Capital Budget - Total Project Budget Authority (\$000s)

Funding Sources

		Prior Year Approvals	2010	2011	2012	2013	2014	2015	2016	2010 to 2016	Total
70500	Federal Funding	(\$34,150)	(\$6,916)	(\$65,683)	(\$91,860)	(\$89,869)	(\$83,962)	(\$47,859)	(\$14,208)	(\$400,357)	(\$434,507)
71000	Provincial Funding	(\$26,749)	(\$1,161)	(\$33,525)	(\$62,665)	(\$82,037)	(\$83,197)	(\$47,859)	(\$14,208)	(\$324,653)	(\$351,402)
75500	Debenture Funding	(\$41,442)	(\$6,916)	(\$75,683)	(\$91,860)	(\$89,869)	(\$83,962)	(\$57,839)	(\$14,208)	(\$420,337)	(\$461,779)
77700	Capital Reserve	(\$18,017)	(\$1,001)	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,001)	(\$19,018)
Total		(\$120,358)	(\$15,994)	(\$174,891)	(\$246,386)	(\$261,775)	(\$251,122)	(\$153,557)	(\$42,624)	(\$1,146,348)	(\$1,266,706)